



Indiana Economic Development Corporation

June 16, 2008

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Dr. Jeffrey M. Wells
Director of Medicaid
Indiana Family & Social Services Administration

Dear Dr. Wells:

Pursuant to IC 4-22-2-28, the Indiana Economic Development Corporation ("IEDC") has reviewed the economic impact analysis for small business associated with rule changes proposed by the Indiana Family & Social Services Administration Office of Medicaid Policy and Planning ("OMPP"), and contained in LSA Document 08-186. This Medicaid Rule amendment permits hospitals to separately bill and receive reimbursement for blood factor products used during an inpatient hospital stay.

This rule amendment is necessary to address inpatient hospital reimbursement when blood factors products are used during inpatient hospital stays. The cost of blood factor products can be several times higher than the reimbursement for the inpatient hospital stay. Under this amendment, OMPP will adopt a similar methodology to Medicare's and reimburse these services separately from the inpatient hospital service, with a Medicaid computable allowable that will more closely reflect the provider's cost of the blood factor products.

OMPP estimates that none of the 160 Medicaid participating hospitals in Indiana meet the definition of a small business, as defined in IC 4-22-2.1-4. Consequently, OMPP indicates that small businesses will incur no additional costs to comply with this proposed rule amendment. By amending the rule, acute care hospitals that use blood factor products during a Medicaid inpatient hospital stay will receive a higher level of Medicaid reimbursement.

The IEDC does not object to economic impact to small businesses contained in the proposed rule changes. If you have any questions about the comments contained herein please contact me at 232-8962 or rasberry@iedc.in.gov.

Regards,

Ryan Asberry
Assistant Vice President
Indiana Economic Development Corporation